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OF COUNSEL
WILLIAM G. CONLY

February 16, 2004

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Lower Cotton Valley Zone, Reservoir A, ELM
GROVE FIELD, Caddo and Bossier Parishes,
Louisiana.

Dear Sir:

J-W OPERATING COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana:

1. To permit Applicant to drill, designate and utilize an additional alternate unit well for LCV RA SULL at the location shown on the attached plat, in exception to the well location provisions of Office of Conservation Order No. 361-E, effective July 16, 1996.
2. To find that the proposed additional alternate unit well is necessary to efficiently and economically drain a portion of the Lower Cotton Valley Zone, Reservoir A, underlying LCV RA SULL which cannot be efficiently and economically drained by any existing well on such unit.
3. To discuss such other matters as may be pertinent to this application.

The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Caddo, Webster and Bossier Parishes, Louisiana, was defined in Office of Conservation Order No. 361-E, effective July 16, 1996.

Pertinent data concerning this application is available for inspection at the offices of Mr. Joe B. Adams, 9141 Interline Avenue, Suite 3A, Baton Rouge, Louisiana 70809. Any person wishing to inspect such data should call Mr. Adams at (225) 929-6097 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

Honorable James H. Welsh
February 16, 2004
Page 2

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of the attached plat, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plat at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Elm Grove Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose a check payable to the Commissioner of Conservation for the application fee.

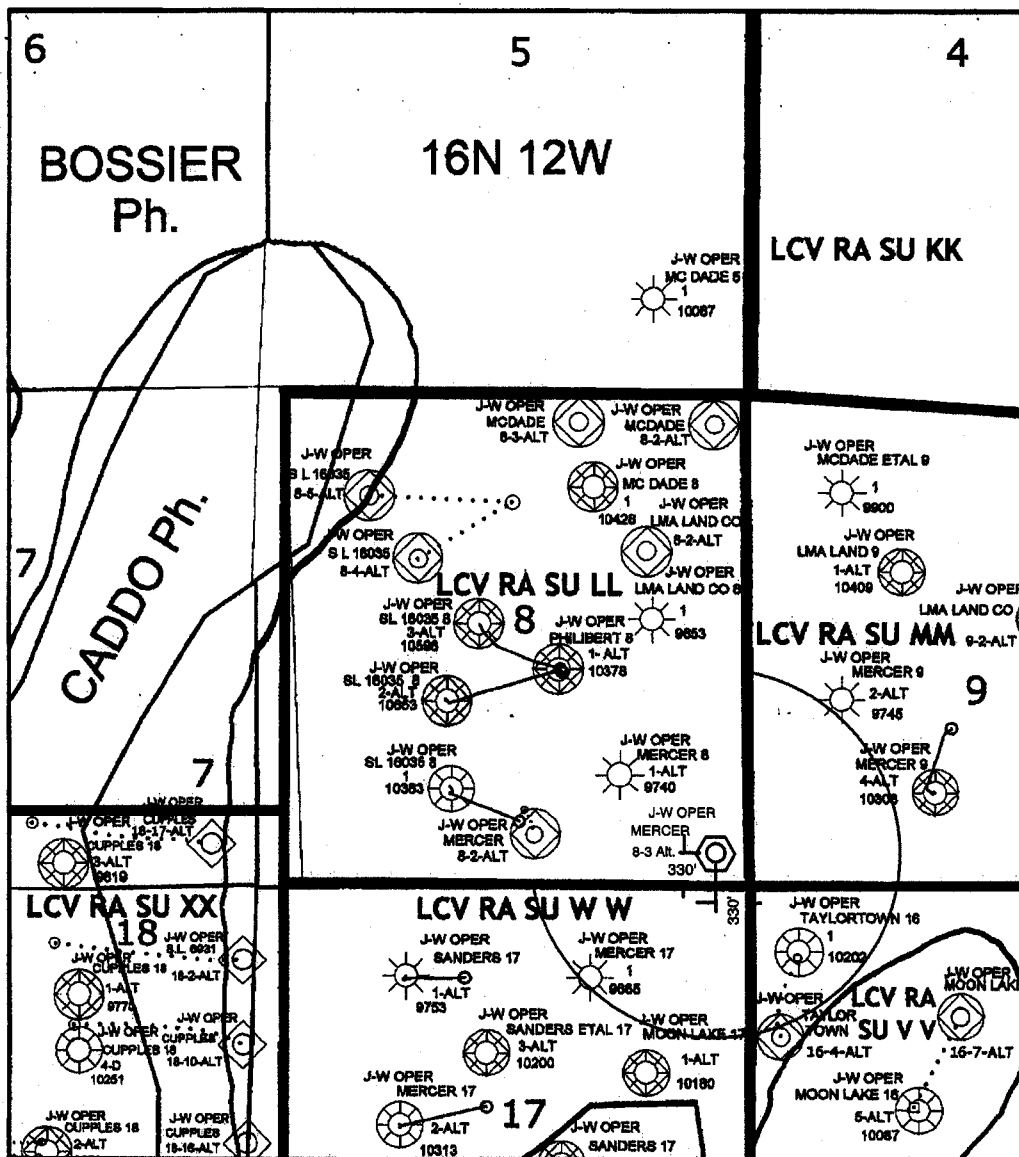
Yours very truly,


David L. Smelley

-- Attorney for J-W Operating Company

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Jerry Wooten (w/encls.)
Ms. Diana Milsap (w/encls.)
Mr. Joe B. Adams (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plat only)



Docket No. 04-

Exhibit No.

J-W OPERATING COMPANY

Elm Grove Field

Bossier & Caddo Parishes, Louisiana

Unit Plat

Lwr. Cotton Valley Zone

Date:

Joe B. Adams

Consulting Geologist